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RUEHUL/AMEMBASSY SEOUL IMMEDIATE 5212  
RUEHFK/AMCONSUL FUKUOKA IMMEDIATE 3356  
RUEHNH/AMCONSUL NAHA IMMEDIATE 5769  
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RUEKJCS/SECDEF WASHDC IMMEDIATE  
RHHMUNA/HQ USPACOM HONOLULU HI IMMEDIATE  
RUEKJCS/JOINT STAFF WASHINGTON DC IMMEDIATE  
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RUEATRS/TREASURY DEPT WASHDC IMMEDIATE  
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C O N F I D E N T I A L SECTION 01 OF 03 TOKYO 004468

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SUBJECT: NEW LDP EXECUTIVE LINEUP

Classified By: AMBASSADOR J. THOMAS SCHIEFFER, REASONS 1.4(B),(D).

Summary

1. (C) Prime Minister Yasuo Fukuda selected four senior faction leaders on September 23 to assist him in unifying the ruling Liberal Democratic Party (LDP), countering the opposition Democratic Party of Japan (DPJ) and preparing for the next Lower House election. The appointments are generally seen as an effort to extend Fukuda's support base within the party, particularly among the smaller and medium-sized factions headed by the four new party executives. At the same time, the new LDP lineup brings tremendous political savvy to the party, as they face a divisive Diet session and the possibility of elections as early as next spring. While the traditional LDP "sanyaku" consists of the Secretary General and the Chairs of the Policy Affairs Research Council and General Affairs Council, Fukuda has chosen to elevate the former post of Director General of the Election Strategy Bureau to the same level, upgrading the title to Chair of the Election Strategy Committee and removing it from the direct supervision of the Secretary General, a move which will likely take some of the

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cachet out of the Secretary General position. The new LDP lineup has been criticized in the press and by the opposition as top-heavy and reflective of a return to the factional politics of the "old" LDP, but Embassy contacts and many in the press have also praised Fukuda's party appointments as substantive and capable.

Secretary General Ibuki Well-Liked and Respected

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2. (C) Liberal Democratic Party (LDP) Secretary General -- Bunmei IBUKI, 68, is a seven-term member of the Lower House, representing Kyoto 1 district. He was first elected in 1983. Ibuki's selection to the number two post in the LDP (after party president Fukuda) came as something of a surprise,

despite the fact that he is a party heavyweight in his own right. Party insiders consider him highly capable, and he is seen as someone who can help unify the party and take on the main opposition Democratic Party of Japan (DPJ) in the Diet and at the polls. He is well-liked by colleagues, both for his humble attitude and for taking good care of the people around him. Ibuki heads his own medium-sized faction in the LDP, with 19 members in the Lower House and six in the Upper House. He came out early in support of Fukuda's candidacy, but does not appear to have been able to deliver his entire faction for Fukuda in the September 23 LDP presidential vote.

Ibuki was also a strong supporter of Abe, although his faction was somewhat marginalized during the Abe administration.

13. (C) Ibuki was named Minister of Education, Culture, Sports, and Technology in the first Abe Cabinet in September 2006, and he kept his position in the August 27, 2007, reshuffle, despite recurrent allegations of campaign finance skeletons in his closet. He has had little contact with U.S. officials in that job, aside from a courtesy call with visiting Secretary of Education Margaret Spellings in November 2006. Early in his tenure, he was instrumental in helping to gain passage of a revised Basic Education Law, one of then-Prime Minister Abe's top priorities. He subsequently fought successfully to defend his turf at the Education Ministry against what he regarded as overreaching by the Educational Revitalization Council, a special panel appointed by Abe to help realize his vision of restoring traditional values to Japan's education system. Ibuki survived media attacks over an old campaign finance scandal leveled shortly after his appointment and has managed to stay out of the media crosshairs ever since. Formerly a bureaucrat at the Finance Ministry's Budget and International Finance bureaus, Ibuki served as secretary to the late former Finance Minister Michio Watanabe before entering national politics. He served as Labor Minister under the late Prime Minister Ryutaro

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Hashimoto, and Chair of the National Public Safety Commission under Prime Minister Mori.

14. (C) Ibuki was born into a traditional textile wholesaler family in Kyoto, and is a graduate of Kyoto University. Ibuki speaks fluent English, having served at the Japanese Embassy in London for four years in the 1960s. He is married, with one son and one daughter. He is an avid tennis player, but also enjoys more traditional Japanese pursuits, such as playing "Go" and watching "Rakugo," a form of comic storytelling. He also enjoys cooking and wine. Ibuki has authored several books on Japanese politics.

Policy Wonk Tanigaki Regains Clout

15. (C) LDP Policy Affairs Research Council (PARC) Chair -- Sadakazu TANIGAKI, 62, is a nine-term Lower House member representing Kyoto 5 district. He was first elected in 1987. Tanigaki's appointment to the PARC represents a real political comeback for his small faction of 15 members -- 12 in the Lower House and three in the Upper House. A third-place finisher in the LDP Presidential campaign in 2006, Tanigaki was largely ostracized by the LDP mainstream for his vocal criticism of the Abe administration, and became known as something of a magnet for "anti-Abe" forces within the party. Along with faction leaders Bunmei Ibuki and Makoto Koga, however, he was quick to jump on the Fukuda bandwagon this time. His name came up often during the brief campaign as someone who shares Fukuda's views on China and other foreign policy questions.

16. (C) A former Finance Minister under Prime Minister Koizumi, Tanigaki is regarded as an economic policy expert. Tanigaki previously served as Minister for Industrial Revitalization and Chair of the National Public Safety Commission. In his 2006 run for LDP President, he called for

doubling the consumption tax to ten percent over the next few years as a means of rebuilding Japan's finances. Fiscally conservative, he was nevertheless an early booster within the LDP on addressing regional economic disparities. Some critics have already criticized his appointment as a shift away from pro-growth, market-oriented reforms.

¶7. (C) Tanigaki was born in Tokyo and graduated from the University of Tokyo. He practiced law before entering politics. A second generation politician, he inherited the Kyoto 5 district from his father, former Education Minister Senichi Tanigaki. He enjoys physical pursuits, such as cycling and mountain climbing. He shares an interest in wine with the new Prime Minister and Secretary General. He speaks no English.

#### Nikai Retains General Council Chair

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¶8. (C) LDP General Affairs Council (GAC) Chair -- Toshihiro NIKAI, 68, is an eight-term member of the Lower House, representing Wakayama 3 district. He was first elected in ¶1983. Nikai was appointed GAC Chair when former Prime Minister Abe reshuffled the Cabinet and LDP leadership on August 27, 2007. His reappointment by Prime Minister Fukuda was not unexpected. Regarded as a deft behind-the-scenes political negotiator, with well-developed connections to both ruling and coalition parties, he was originally brought in to help unite the party after its crushing defeat in the July Upper House election. Prior to taking the GAC post, Nikai led his own small faction of 15 members (13 in the Lower House and two in the Upper House), but his influence within the party was generally regarded as much greater than these numbers would otherwise indicate. An early and ardent supporter of Fukuda's campaign to succeed Abe, he is believed to have delivered most of his faction members to the winning camp. Nikai is also close to Fukuda in his views on China. He travels frequently to China and enjoys close relations with many Chinese leaders.

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¶9. (C) Nikai previously served as LDP Diet Affairs Committee Chairman, where he was seen as a formidable force in pushing through key items in Abe's legislative agenda, such as the upgrade of the Japan Defense Agency to ministry status, the establishment of a National Referendum process for amending the Constitution, and revisions to the Basic Education, Public Funds Control, and National Public Servants ("Anti-Amakudari") laws. In the Diet, Nikai has specialized in land, infrastructure, transportation, and tourism promotion, having served as Minister of Transportation under Prime Ministers Obuchi and Mori, and as Minister of Economy, Trade, and Industry under Prime Minister Koizumi. He is said to have been one of the key players in orchestrating the LDP's landslide victory in the "postal privatization" election of 2005.

¶10. (C) A consummate LDP insider, Nikai actually left the LDP in 1993 to form the Shin-Shin Party with current opposition DPJ leader Ichiro Ozawa. Nikai, together with Ozawa, then joined the New Frontier Party, headed by former Prime Minister Morihiro Hosokawa. After the collapse of the Hosokawa Cabinet, Nikai then joined Ozawa's Liberal Party (LP). With the break-up of the LDP-LP-Komeito coalition in 2000, Nikai, then Ozawa's right-hand man, and 12 other LP members formed the Conservative Party in 2000, which was expanded and renamed the New Conservative Party (NCP) in ¶2002. He returned to the LDP in 2003. His prior experience as a close aide to Ozawa is regarded as a real asset within the LDP as it gears up to take on the DPJ in this Diet session.

¶11. (C) Nikai is a graduate of Chuo University, who got his start in politics as secretary to then-Construction Minister Saburo Endo. He was later elected to the Wakayama

prefectural assembly for two terms, before winning his first Diet seat. Nikai is married with children. He does not speak English.

#### Koga Gets Elevated Election Bureau Post

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¶12. (C) LDP Election Strategy Committee Chair -- Makoto KOGA, 67, is a nine-term Lower House member representing Fukuoka 7 district. He was first elected in 1980. Koga is widely credited as giving Prime Minister Fukuda the initial momentum he needed to launch his winning campaign for LDP President, and was widely expected to draw a Cabinet or top LDP post. He is believed to be close to Fukuda ideologically, and shares his stance on China. More noteworthy is that he was apparently able to use his influence to secure the elevation of his new job. The election portfolio is expected to gain significance in coming months, as the opposition tries to use its new-found strength in the Upper House to try to force dissolution of the Lower House and early elections. As such, Koga and his new post -- which used to be under the control of the party Secretary General but now answers directly to the party president -- will probably gain at the expense of Ibuki and the Secretary General post. Koga leads the third-largest LDP faction, with 38 members in the Lower House and eight in the Upper House. He has previously served as Secretary General and Diet Affairs Chair of the party. He

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also served as Transportation Minister, and is a member of the "construction tribe" within the LDP.

¶13. (C) Koga graduated from Nihon University. When he was still a child, his father, a soldier, was killed in the Philippines. Koga holds tremendous influence over veterans groups -- a major support organization for the LDP -- as the head of the Japan War-Bereaved Association. During debates over visits to the controversial Yasukuni Shrine by former Prime Minister Koizumi, Koga came down on the side of separating the 14 Class-A war criminals from the others enshrined there.  
Schieffer